

EXHIBIT C

Deposition of Chad Westendorf

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1 UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF SOUTH CAROLINA
3 CHARLESTON DIVISION

4 DEPOSITION OF CHAD WESTENDORF

5 NAUTILUS INSURANCE COMPANY,

6 Plaintiff,

7 vs. CASE NO. 2:22-cv-1307-RMG

8 RICHARD ALEXANDER MURDAUGH, SR., CORY FLEMING,
9 MOSS & KUHN, P.A., CHAD WESTENDORF, and
PALMETTO STATE BANK,

10 Defendants.
11

12 DEPONENT: CHAD WESTENDORF

13 DATE: JUNE 30, 2023

14 TIME: 1:57 P.M.

15 LOCATION: WALKER GRESSETTE FREEMAN & LINTON
16 CHARLESTON, SC

17
18 REPORTED BY: RUTH L. MOTT, RPR, CRR
19 CLARK BOLEN
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ALSO PRESENT: JONATHAN RALEY

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3 WITNESS PAGE

4 CHAD WESTENDORF

5	BY MR. RANNIK	4
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8 CHAD WESTENDORF - EXHIBITS

9	EXHIBIT	DESCRIPTION	PAGE
10	EXHIBIT NO. 01	2/22/22 DEPOSITION AND EXHIBITS	6
11	EXHIBIT NO. 02	APPLICATION FOR SUCCESSOR PERSONAL REPRESENTATIVE	12
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13	EXHIBIT NO. 03	1/18/19 BANK STATEMENT	18
14	EXHIBIT NO. 04	TRANSFER RECORD	19
15	EXHIBIT NO. 05	EXCEPTION SHEET	20
16	EXHIBIT NO. 06	ENVIRONMENTAL CHECKLIST	22
17	EXHIBIT NO. 07	DOCUMENTS RELATING TO SETTLEMENT OF SATTERFIELD CASE	25
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1 please.

2 Q. Of course. Would it be wrong to tell a
3 court that someone is under 18 years old and,
4 therefore, they need a conservator account when
5 you know that they're actually over the age of
6 18?

7 MS. ALLEN: Same objection.

8 A. Yes.

9 Q. Would it be wrong to represent to the
10 court that someone lives in Hampton County when,
11 in fact, you know they live in Columbia?

12 MS. ALLEN: Object to the form.

13 A. Say that one more time.

14 Q. Sure. Would it be wrong to, on a
15 conservatorship or PR application, represent to
16 the court that the person or the estate is in
17 Hampton, South Carolina, when, in fact, you know
18 that they're in Columbus, South Carolina?

19 A. Yes, sir, that would be wrong.

20 MS. ALLEN: Same objection.

21 Q. Would it be wrong to do all of these
22 things that we've just talked about even if Alex
23 Murdaugh told you to do it?

24 A. Yes.

25 Q. Let's say that someone knew about all

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1 the instances of wrongdoing. Let's say they
2 happened and someone knew about it. And let's
3 say that it had happened every single time Alex
4 Murdaugh had asked someone to serve as a PR.

5 In that situation, do you think it's
6 reasonable to expect that something -- more
7 wrongdoing would occur if you serve as a PR for
8 Alex Murdaugh in the future?

9 MS. ALLEN: Object to the form.

10 MR. GRESSETTE: Objection.

11 A. You could assume that, yes.

12 Q. Are you aware that Mr. Laffitte has been
13 convicted of much of the things that we just
14 described in federal court?

15 A. Yes, sir.

16 Q. And would you agree that Mr. Laffitte
17 should have known that serving as a PR for
18 Mr. Murdaugh would lead to more wrongdoing?

19 MS. ALLEN: Object to the form.

20 A. I don't know. I can't answer that.

21 Q. If Mr. Laffitte's work as a conservator
22 or a PR for Mr. Murdaugh had involved wrongdoing
23 every time, you would expect by 2018 that
24 Mr. Laffitte would have understood that was the
25 gig, right?

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1 A. I would assume.

2 Q. When you were asked to serve as PR for
3 the Estate of Gloria Satterfield, you ran that
4 request by Mr. -- by Russell Laffitte, correct?

5 A. That is correct.

6 Q. Did he tell you anything about any of
7 the wrongdoing associated with serving as a
8 fiduciary for Alex Murdaugh when you asked?

9 MR. GRESSETTE: Objection.

10 A. No, sir.

11 Q. Did he tell you that Murdaugh had
12 substantial overdrafts?

13 A. No, sir.

14 Q. Did Mr. Laffitte tell you that when he
15 was a vice president like you were, he had caused
16 PSB to issue illegal loans to Alex Murdaugh from
17 a conservatorship account?

18 MS. ALLEN: Objection to the form.

19 MR. GRESSETTE: Objection.

20 A. He did not.

21 Q. Did he tell you that funds had been
22 disbursed in prior conservatorships in violation
23 of the disbursement statements approved by the
24 court?

25 A. He did not.

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1 Q. He should have informed you of these
2 things, though, right?

3 MR. GRESSETTE: Objection.

4 A. I would hope so.

5 Q. You would have liked to know?

6 A. Yes, sir.

7 Q. If you had known these things in 2018,
8 would you have agreed to serve as a PR for the
9 Estate of Gloria Satterfield?

10 A. No, sir.

11 Q. Would you have signed the application
12 for the appointment to be made a PR when Murdaugh
13 brought it to your office?

14 A. If I knew those things, no, sir, I
15 wouldn't have.

16 Q. Let me show you that or a document and
17 ask if you recognize it.

18 (Exhibit No. 02 marked for
19 identification.)

20 Q. Do you recognize this document?

21 A. Yes, sir.

22 Q. And what is this document?

23 A. Application for successor personal
24 representative.

25 Q. Now, can you please read for us --

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1 there's an X through one of the boxes on the
2 first page at the bottom there. It says:
3 "Priority for appointment of the successor
4 personal representative is, other, describe."

5 Do you see where I'm talking about?

6 A. Yes, sir.

7 Q. What does that say?

8 A. "Current personal representative desires
9 bank vice president to serve as personal
10 representative. Sole other heir concurs."

11 Q. Okay. And then if I can get you to turn
12 to the next page. At the top right, there's a
13 verification.

14 Is that your signature?

15 A. That is.

16 Q. What is the address that's provided
17 there?

18 A. 601 First Street West -- First Street --
19 excuse me -- Hampton, South Carolina 29924.

20 Q. And what's at that bank?

21 A. The bank, Palmetto State Bank.

22 Q. The telephone number, what telephone
23 number is that?

24 A. (803) 943-2671.

25 Q. And is that a bank phone number?

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1 A. Yes, sir. That's the correction I made
2 on the deposition, if I may say that.

3 Q. You may.

4 A. I did not type that and that's what I
5 told -- that it was already there.

6 Q. As part of serving as PR for the Estate
7 of Gloria Satterfield, you endorsed a check from
8 Nautilus, correct?

9 A. Yes, sir.

10 Q. I think you were at your office when you
11 did that?

12 A. That's correct.

13 Q. Did you receive a letter with that
14 check?

15 A. Yes, sir.

16 Q. And did that letter say these funds are
17 to be held in trust until an order approving the
18 settlement has been filed?

19 A. Yes, sir.

20 Q. If you had known of Alex Murdaugh's
21 wrongdoing in the past, would you have
22 endorsed -- well, let me ask you this. I'm
23 sorry. Did you do anything to ensure that an
24 order approving the settlement was filed before
25 the funds were distributed?

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1 A. No, sir.

2 Q. Because you trusted Cory Fleming, right?

3 A. That's correct.

4 Q. If you had known about Alex Murdaugh's
5 prior wrongdoing and you were in this position,
6 you probably would have checked more things,
7 right?

8 A. Correct.

9 Q. So let me ask you a little bit about
10 your employment or your work now with PSB.

11 So Mr. Malinowski told us about it and
12 that you're now an independent contractor. And
13 it sounded to me like you do sort of general
14 consulting work for the bank.

15 A. Yes, sir.

16 Q. Why the change from your prior role?

17 A. I was unable to be bonded under the
18 bank's bond.

19 Q. I see. Okay. Okay.

20 And that was as a result of the mess
21 with the Estate of Gloria Satterfield?

22 A. I assume so, yes, sir.

23 Q. And the bond that you were under, this
24 is the fidelity bond for the bank?

25 A. I would assume so. I don't know.

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1 A. Sure.

2 Q. Did you ever submit a conflict of
3 interest report to the bank?

4 A. I did not.

5 Q. Okay. I'm going to show you what we
6 marked in the previous exhibit as Bank Exhibit 3.

7 Have you ever seen this document?

8 A. No, sir.

9 Q. Okay. And if you flip to the last page,
10 did you ever fill this out and submit it to the
11 bank?

12 A. No, sir.

13 Q. Thank you.

14 When you were approached about being PR,
15 I asked you if you had run that by Russell
16 Laffitte.

17 Is there anybody else at the bank you
18 ran that past?

19 A. When I went and spoke to Russell, I
20 asked him if I could serve as a PR in a case that
21 Alec was involved in. I didn't know what the
22 case was at that time. I asked him if he could
23 do it. He said, Let me talk to my dad. So both
24 him and Mr. Laffitte said I could do it.

25 Q. Okay. Did you ask anybody else? Did

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CERTIFICATE OF REPORTER

I, Ruth Mott, Registered Professional Reporter, Certified Realtime Reporter, and Notary Public for the State of South Carolina, do hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and location therein stated; that the testimony of the witness and all objections made at the time of the examination were recorded stenographically by me and were thereafter transcribed by computer-aided transcription, that the foregoing is a full, complete and true record of the testimony of the witness and of all objections made at the time of the examination; and that the witness was given an opportunity to read and correct said deposition and to subscribe the same.

Should the signature of the witness not be affixed to the deposition, the witness shall not have availed himself of the opportunity to sign or the signature has been waived.

I further certify that I am neither related to nor counsel for any party to the cause pending or interested in the events thereof.

Witness my hand, I have hereunto affixed my official seal on July 12, 2023 at Moncks Corner, Berkeley County, South Carolina.

Ruth Mott,
Registered Professional Reporter
Certified Realtime Reporter
and Notary Public
My Commission expires
February 23, 2025